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Dry run

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GENERAL

1. U.S. recommendations on continuance of proclaimed lists--The Executive Committee on Economic Foreign Policy of the U.S. recommends that proclaimed lists be (a) continued in Europe so long as they help to eliminate German-controlled firms and (b) withdrawn by 8 May in all Latin-American countries (except possibly Argentina), unless their continuance is requested by any of the Republics. These recommendations have been sent to London for British concurrence.

THE AMERICAS

2. ARGENTINA: Blue Book given extensive publicity--Press reports indicate that the Democratic newspapers of Buenos Aires have given prominent and extensive publicity to the U.S. Blue Book, leading papers reproducing the full text. The Peronista press has largely ignored it, emphasizing a previous speech by Peron attributing strained relations with the U.S. to personal animus on the part of Braden. La Epoca indicates that Peron will reply by characterizing the Blue Book as a fabrication and emphasizing allegations of interference by Braden in Argentine affairs. The State Department at present contemplates no further statement.
3. CHILE: Coal strike settled, but the miners have not yet gone back to work. Chile--which has only an 11 day supply--is arranging to bring in coal from Peru and the U.S., Embassy Santiago reports.
4. MEXICO: A \$3,000,000 credit to Aeronautical Radio Mexico has been approved by the Export-Import Board to facilitate the development of Mexico's communications.

EUROPE-AFRICA

5. GREAT BRITAIN: UK Views on Ruhr--Embassy London reports that the UK Foreign Office's counter-proposal to French demands concerning the Ruhr and Rhineland calls for: (a) international economic control of the Ruhr without political separation from the Reich; (b) indefinite military occupation; (c) no separate tariff system for the Ruhr; and (d) no separate political administration for the Rhineland.

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NO CHANGE in Class.

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State Dept. review completed

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6. ITALY: Soviet views on peace settlement--According to the Italian Embassy in Washington, Vyshinski has informed the Italian Embassy in London that (a) the USSR wants a just solution in Venezia Giulia, although not necessarily satisfaction of all Yugoslav demands; (b) Italy owes Austria nothing as regards Bolzano; (c) present Soviet policy on Italian colonies may be altered if conditions change. Meanwhile, according to Embassy London, the USSR opposes the Anglo-American-French view that reparation removals from Italy should leave enough resources to permit Italy an independent economic existence.
7. UK opposes Economic Advisor Council for Italy--Britain opposes the State Department's proposal that a US-British-Italian council take over economic advisory functions for Italy. The UK Foreign Office asserts that the proposed functions could be handled by liaison among the US and UK embassies, the Italian Government and UNRRA, and that removal of joint controls will stimulate Italian self-reliance.
8. URSS monopolies jeopardize US armistice interests--Legation Budapest declares that proposed USSR-Hungarian trade agreements would actually create a Soviet monopoly of Hungarian bauxite, oil, shipping, and aviation, thus jeopardizing any other external trade relations and Hungary's ability to meet armistice obligations to nations other than the USSR.
9. HUMANIA: Publication of notes impeded--The Hungarian Communists attempted to buy all newspapers containing full texts of the US and UK recognition notes, the US mission reports.
10. AUSTRIA: Soviets protest British "Enemy Corps"--In Tuesday's acrimonious session of the Allied Council Austria, the US member reports, Koniev attacked British use of White Russian and German Austrian formations. Koniev insisted that the White Russians, whom he numbered at 8,000, constitute an enemy corps and the Council's resolutions should so specify.

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FAR EAST

11. Indonesia: agreement anticipated--State Department representatives report that a Dutch-Indonesian agreement is now expected. The preliminary meeting of van Zook, Clark Kerr and Sjanrir on February 10 was cordial. Sjanrir presented evidence of full powers to negotiate. The replacement of old-guard Dutch officials by younger men has improved the situation. All American and British internees have been evacuated from the N.I.

12. India: Calcutta riots--Uncontrolled rioting continues in Calcutta. British troops have not yet restored order and Moslem Party leaders are unable to control their followers.

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